

# Losing Insurance and the 63 Day Guarantee



Senior Health Insurance  
Information Program

## Ask SHIIP

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Regional Program Manager

**Q:** The company I retired from is discontinuing my health insurance benefits. I am 85 years old and have several health problems. I am concerned that I may not be able to purchase a supplement to my Medicare.

**A:** Because you have Medicare, you qualify for special rights and protections. If a former employer, union or organization discontinues your health insurance, you have the guaranteed right to purchase any Medicare Supplement (also called Medigap) policy A, B, C, or F within 63 days of losing your insurance coverage. Under these Medigap rights and protections, you cannot be denied or charged more because of your age, health, or any pre-existing conditions. These protections have only been in existence since 1999.

Some important things to remember:

➤ Medigap (Medicare Supplement) policies are highly regulated. Private insurance companies can only sell you

certain policies (A – J). The benefits are the same no matter which company is selling the policy.

➤ Always talk to at least three insurance companies. Price, service, and reliability can vary considerably.

➤ Policies A, B, C, and F do not cover prescription drugs. If you currently have prescription drug coverage you need to consider how you will pay for your medications.

➤ If an insurance company says that you do not qualify for the guarantee issue of a Medigap policy, do not assume they are correct. Check with SHIIP and the Indiana Department of Insurance (800-452-4800).

➤ If you think you can't afford a Medigap policy, consider what your out of pocket costs could be without one.

➤ There are state and federal programs that may help you cover your medical and prescription expenses if you meet the income and, sometimes, asset guidelines.

➤ If you are a veteran, check out the VA's medical services and prescription coverage (no income guidelines).

➤ Remember you only have 63 days to take advantage of the guaranteed

right to purchase a Medigap policy. After that time you can be denied coverage.

It is recommended that you have a Medigap policy ready to start the day your other coverage ends.

Here are some **free** materials that may help you.

**SHIIP (1-800-452-4800)** offers the booklet *Finding Help with Prescriptions* and also a *Medigap Packet* that includes a brochure on Medigap protections and a list of all the insurance companies licensed to sell Medigap insurance in the state of Indiana.

**Medicare (1-800-Medicare** or [www.medicare.gov](http://www.medicare.gov)) offers a book called *Choosing a Medigap Policy* (publication # 02110).

There are other circumstances under which someone may qualify for these guaranteed rights. If you have Medicare, and are losing any other insurance, make sure you call SHIIP and get proper advice on whether or not your situation falls into one of the qualifying categories.

**Note:** Check your Medicare card to make sure you have parts A **and** B. If not, we suggest you call Social Security ASAP for information on deadlines and requirements for enrollment.

### Address your questions to:

Ask SHIIP  
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Or [higgins@qtm.net](mailto:higgins@qtm.net)

SHIIP is a free, unbiased counseling program provided by the Indiana State Department of Insurance. For assistance, call your local SHIIP site to make an appointment or call the state office at 1-800-452-4800 to obtain a list of local SHIIP sites.